

HUD 92452-A

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
FEDERAL HOUSING ADMINISTRATION

**Payment Bond**

(This bond is issued simultaneously  
with Performance Bond in favor  
of the Owner conditioned on the  
full and faithful performance of  
the Contract)

Project No.

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CONTRACTOR /PRINCIPAL (Name and Address):

OWNER (Name and Address):

SURETY (Name and Principal Place of Business):

**CONSTRUCTION CONTRACT:**

Date:

Amount:

Project: (Name and Location)

**BOND:**

Date:

Amount:

RIDERS TO THIS BOND:   \_\_\_ Yes                   \_\_\_ No

1. Contractor has entered into a construction contract with Owner for the construction of the above-named Project, a copy of which construction contract is by reference made a part hereof, and is hereinafter referred to as the "Contract."

2. Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns, to the Owner, for the use and benefit of Claimants as hereinafter defined, in the sum of \_\_\_\_\_

Dollars (\$ \_\_\_\_\_), lawful money of the United States of America, to pay for labor, materials and equipment furnished for use in the performance of the Contract.

3. This obligation shall be null and void if the Contractor shall promptly make payment to all Claimants for all labor, material, or equipment used in the performance of the Contract.

4. The Contractor and Surety hereby jointly and severally agree with the Owner that every Claimant, who has not been paid in full before the expiration of a period of ninety (90) days after having last performed labor or last furnished materials or equipment, may sue on this Bond for the use of such Claimant, prosecute the suit to final judgment for such sum or sums as may be justly due Claimant, and have execution thereon. The Owner shall not be liable for the payment of any costs or expenses of any such suit.

5. The Surety shall have no obligation to Claimants under this Bond unless:

a. Claimants who do not have a direct contract with the Contractor have given notice to any two (2) of the Contractor, Owner or Surety above named, within ninety (90) days after having last performed labor or last furnished materials or equipment included in the claim, stating that a claim is being made under this Bond and, with substantial accuracy, the amount claimed and the name of the party to whom the materials or equipment were furnished, or for whom the work or labor was done or performed.

b. Any suit, action or proceeding brought by a Claimant under this Bond shall be instituted within one (1) year from the date on which the Claimant gave the notice required by Paragraph 5a, or on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Contract, whichever first occurs. If this limitation is deemed to be in contravention of any controlling law, this Bond is deemed amended so as to be equal to the minimum period of limitation permitted by such law.

6. The amount of this Bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder, inclusive of the payment by Surety of mechanics' liens which may be filed of record against said improvement, whether or not claim for the amount of such lien be presented under and against this Bond.

7. The prior written approval of Surety shall not be required with regard to any change, including changes of time, to the Contract or to related subcontracts.

8. Notice to the Surety, Owner, or Contractor shall be served by mailing the same by registered mail or certified mail, postage prepaid, to the address shown on this Bond.

9. A Claimant is defined as one having a direct contract with the Contractor or with a subcontractor of the Contractor for labor, materials or equipment, used in the performance of the Contract, including without limitation in terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental of equipment directly applicable to the Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.

SIGNED and SEALED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Witness as to Contractor:

\_\_\_\_\_  
(Contractor)

\_\_\_\_\_  
(Surety)

ADDITIONAL OBLIGEE RIDER

1. This Additional Obligee Rider is attached to and made a part of that certain Payment Bond (the "Payment Bond"), dated \_\_\_\_\_, executed and delivered by \_\_\_\_\_, a(n) \_\_\_\_\_ corporation, as Contractor, and \_\_\_\_\_, as Surety, in favor of Owner, in the sum of \_\_\_\_\_ (\$\_\_\_\_\_) with respect to the construction of the Project.
2. All of the terms, conditions and provisions of the Payment Bond are hereby incorporated herein by this reference as if fully set forth herein.
3. All defined terms as set forth in the Payment Bond shall have the same meaning herein.
4. \_\_\_\_\_ is hereby added to the Bond as a named Obligee.
5. Nothing herein shall alter or affect any of the terms, conditions and other provisions of the Payment Bond, including especially but without limitation, the aggregate liability of the Surety as described in paragraph 2 of the Payment Bond.

Signed and sealed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Witness as to Contractor:

\_\_\_\_\_  
(Contractor)

\_\_\_\_\_  
(Surety)

ADDITIONAL SURETY RIDER

1. This Additional Surety Rider is attached to and made a part of that certain Payment Bond (hereinafter "Payment Bond"), dated \_\_\_\_\_, executed and delivered by \_\_\_\_\_, a(n) \_\_\_\_\_ corporation, as Contractor, and \_\_\_\_\_, as Surety, in favor of Owner, in the sum of \_\_\_\_\_ (\$\_\_\_\_\_) with respect to the construction of the Project.

2. All of the terms, conditions and provisions of the Payment Bond are hereby incorporated herein by this reference as if fully set forth herein.

3. All defined terms as set forth in the Payment Bond shall have the same meaning herein.

4. \_\_\_\_\_ is hereby added to the Payment Bond as an additional named surety.

5. Each surety and additional surety (hereinafter collectively called "Surety") is held and firmly bound, jointly and severally, onto Obligees. Further, each undersigned Surety binds itself in the aforesaid full sum, "jointly and severally," as well as "severally" for the purpose of allowing joint action or singular actions against any or all of them in the full amount of this Payment Bond and for all other purposes each Surety binds itself, jointly and severally with the Contractor, for the payment of the full sums above stated.

6. Nothing herein shall alter or affect any of the terms, conditions and other provisions of the Payment Bond, including especially but without limitation, the aggregate liability of the Surety as described in paragraph 3 of the Payment Bond.

SIGNED AND SEALED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Witness as to Contractor:

\_\_\_\_\_  
(Contractor)

\_\_\_\_\_  
(Surety)